

ASSEMBLY BILL

No. 1884

Introduced by Assembly Member Lowenthal

February 19, 2014

An act to amend Sections 3068.1, 3071, 3072, 3073, and 3074 of the Civil Code, and to amend Sections 22851.1 and 22851.12 of the Vehicle Code, relating to liens.

LEGISLATIVE COUNSEL'S DIGEST

AB 1884, as introduced, Lowenthal. Vehicle liens.

Existing law provides one lien sale procedure for vehicles that have been determined to have a value that does not exceed \$4,000 and a different lien sale procedure for vehicles that have been determined to have a value exceeding \$4,000. Existing law requires a lienholder to apply to the Department of Motor Vehicles for the issuance of an authorization to conduct a lien sale, upon an application that is to be executed under penalty of perjury.

This bill would require a lienholder to obtain a federal National Motor Vehicle Title Information System (NMVTIS) vehicle history report from a NMVTIS data provider prior to applying to the department for the authorization to conduct a lien sale. This bill would require a NMVTIS vehicle history report to be included in the application and would also revise the applicability of each lien sale procedure based on information from the NMVTIS vehicle history report. This bill would include the amount of the fee charged for a NMVTIS vehicle history report in the cost of processing the vehicle that is paid to the lienholder from the proceeds of a vehicle lien sale. This bill would provide that these NMVTIS vehicle history report requirements would be inoperative

if NMVTIS data providers cease to make a report available to the public, as specified.

By expanding the scope of the crime of perjury, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3068.1 of the Civil Code is amended to
2 read:
3 3068.1. (a) (1) Every person has a lien dependent upon
4 possession for the compensation to which the person is legally
5 entitled for towing, storage, or labor associated with recovery or
6 load salvage of any vehicle subject to registration that has been
7 authorized to be removed by a public agency, a private property
8 owner pursuant to Section 22658 of the Vehicle Code, or a lessee,
9 operator, or registered owner of the vehicle. The lien is deemed
10 to arise on the date of possession of the vehicle. Possession is
11 deemed to arise when the vehicle is removed and is in transit, or
12 when vehicle recovery operations or load salvage operations have
13 begun. A person seeking to enforce a lien for the storage and
14 safekeeping of a vehicle shall impose no charge exceeding that
15 for one day of storage if, 24 hours or less after the vehicle is placed
16 in storage, the vehicle is released. If the release is made more than
17 24 hours after the vehicle is placed in storage, charges may be
18 imposed on a full-calendar-day basis for each day, or part thereof,
19 that the vehicle is in storage. If a request to release the vehicle is
20 made and the appropriate fees are tendered and documentation
21 establishing that the person requesting release is entitled to
22 possession of the vehicle, or is the owner's insurance
23 representative, is presented within the initial 24 hours of storage,
24 and the storage facility fails to comply with the request to release
25 the vehicle or is not open for business during normal business
26 hours, then only one day's charge may be required to be paid until

1 after the first business day. A “business day” is any day in which
2 the lienholder is open for business to the public for at least eight
3 hours. If the request is made more than 24 hours after the vehicle
4 is placed in storage, charges may be imposed on a full-calendar-day
5 basis for each day, or part thereof, that the vehicle is in storage.

6 (2) “Documentation” that would entitle a person to possession
7 of the vehicle includes, but is not limited to, a certificate of
8 ownership, vehicle registration, information in the possession of
9 the lienholder including ownership information obtained from the
10 Department of Motor Vehicles or a facially valid registration found
11 within the vehicle, or a notarized letter or statement from the legal
12 or registered owner providing authorization to release to a particular
13 person with a government-issued photographic identification card.
14 Documentation that establishes that a person is the owner’s
15 insurance representative includes, but is not limited to, a faxed
16 letter or other letter from the owner’s insurance company. A
17 lienholder is not responsible for determining the authenticity of
18 documentation specifically described in this subdivision that
19 establishes either a person’s entitlement to possession or that a
20 person is the owner’s insurance representative.

21 ~~(b) If the vehicle has been determined to have a value not~~
22 ~~exceeding four thousand dollars (\$4,000), was last titled in~~
23 ~~California or has no record of being titled in any state as shown~~
24 ~~from the federal National Motor Vehicle Title Information System~~
25 ~~report required by subdivision (a) of Section 3072, and has a value~~
26 ~~determined to be four thousand dollars (\$4,000) or less, the lien~~
27 ~~shall be satisfied pursuant to Section 3072. Lien sale proceedings~~
28 ~~pursuant to Section 3072 shall commence within 15 days of the~~
29 ~~date the lien arises. No storage shall accrue beyond the 15-day~~
30 ~~period unless lien sale proceedings pursuant to Section 3072 have~~
31 ~~commenced. The storage lien may be for a period not exceeding~~
32 ~~60 days if a completed notice of a pending lien sale form has been~~
33 ~~filed pursuant to Section 3072 within 15 days after the lien arises.~~
34 ~~Notwithstanding this 60-day limitation, the storage lien may be~~
35 ~~for a period not exceeding 120 days if any one of the following~~
36 ~~occurs:~~

37 (1) A Declaration of Opposition form is filed with the
38 department pursuant to Section 3072.

39 (2) The vehicle has an out-of-state registration.

40 (3) The vehicle identification number was altered or removed.

(4) A person who has an interest in the vehicle becomes known to the lienholder after the lienholder has complied with subdivision ~~(b)~~ (c) of Section 3072.

(c) If the vehicle *was last titled in another state* or has been determined to have a value exceeding four thousand dollars (\$4,000) pursuant to Section 22670 of the Vehicle Code, the lien shall be satisfied pursuant to Section 3071. The storage lien may be for a period not exceeding 120 days if an application for an authorization to conduct a lien sale has been filed pursuant to Section 3071.

(d) (1) Any lien under this section shall be extinguished, and a lien sale shall not be conducted, if any one of the following occurs:

(A) The lienholder, after written demand to inspect the vehicle made by either personal service or certified mail with return receipt requested by the legal owner or the lessor, fails to permit the inspection by the legal owner or lessor, or his or her agent, within a period of time of at least 24 hours, but not to exceed 72 hours, after the receipt of that written demand, during the normal business hours of the lienholder. The legal owner or lessor shall comply with inspection and vehicle release policies of the impounding public agency.

(B) The amount claimed for storage exceeds the posted rates.

(2) “Agent” includes, but is not limited to, any person designated to inspect the vehicle by the request of the legal owner or lessor, in writing or by telephone, to the lienholder. A lienholder is not responsible for determining the authenticity of documentation establishing a person’s agency for the purposes of inspection of a vehicle.

(e) A lienholder shall not be liable for any claim or dispute directly arising out of the reliance on documentation specifically described in paragraph (2) of subdivision (a) for purposes of releasing a vehicle.

SEC. 2. Section 3071 of the Civil Code is amended to read:

3071. (a) (1) A lienholder shall apply to the department for the issuance of an authorization to conduct a lien sale pursuant to this section for any vehicle with a value determined to be over four thousand dollars (\$4,000) *or any vehicle determined to be last titled in a different state*. A filing fee shall be charged by the department and may be recovered by the lienholder if a lien sale

1 is conducted or if the vehicle is redeemed. The application shall
2 be executed under penalty of perjury and shall include all of the
3 following information:

4 ~~(1)~~

5 (A) A description of the vehicle, including make, year model,
6 identification number, license number, and state of registration.
7 For motorcycles, the engine number also shall be included. If the
8 vehicle identification number is not available, the department shall
9 request an inspection of the vehicle by a peace officer, licensed
10 vehicle verifier, or departmental employee before accepting the
11 application.

12 ~~(2)~~

13 (B) The names and addresses of the registered and legal owners
14 of the vehicle, if ascertainable from the registration certificates
15 within the vehicle, and the name and address of any person whom
16 the lienholder knows, or reasonably should know, claims an interest
17 in the vehicle.

18 ~~(3)~~

19 (C) A statement of the amount of the lien and the facts that give
20 rise to the lien.

21 (2) (A) *A copy of a vehicle history report from the federal*
22 *National Motor Vehicle Title Information System (NMVTIS),*
23 *obtained from a NMVTIS data provider for the vehicle*
24 *identification number of the vehicle, shall be included with the*
25 *application required pursuant to paragraph (1). Any fee charged*
26 *for the NMVTIS report may be recovered by the lienholder if a*
27 *lien sale is conducted or if the vehicle is redeemed.*

28 (B) *As used in this section "NMVTIS," "NMVTIS history*
29 *report," and "NMVTIS data provider" shall have the same*
30 *meanings as defined in subdivision (d) of Section 11713.26 of the*
31 *Vehicle Code.*

32 (C) *This section shall not prohibit a NMVTIS data provider*
33 *from including, in a NMVTIS history report containing information*
34 *required by paragraph (2) of subdivision (d) of Section 11713.26*
35 *of the Vehicle Code, additional vehicle history information*
36 *obtained from resources other than NMVTIS.*

37 (D) *This section shall not create any legal duty upon the*
38 *lienholder related to the accuracy, errors, or omissions contained*
39 *in a NMVTIS vehicle history report that is obtained from a NMVTIS*
40 *data provider or any legal duty to provide information added to*

1 *NMVTIS after the lienholder obtained the NMVTIS vehicle history*
2 *report pursuant to paragraph (1) of subdivision (a) of this section.*

3 *(E) In the event that all NMVTIS data providers cease to make*
4 *NMVTIS vehicle history reports available to the public, this*
5 *paragraph shall become inoperative.*

6 (b) Upon receipt of an application made pursuant to subdivision
7 (a), the department shall do all of the following:

8 (1) Notify the vehicle registry agency of a foreign state of the
9 pending lien sale, if the vehicle bears indicia of registration in that
10 state *or the NMVTIS report required by subparagraph (A) of*
11 *paragraph (2) of subdivision (a) indicates the vehicle was last*
12 *titled in that state.*

13 (2) By certified mail, send a notice, a copy of the application,
14 and a return envelope preaddressed to the department to the
15 registered and legal owners at their addresses of record with the
16 department, and to any other person whose name and address is
17 listed in the application.

18 (c) The notice required pursuant to subdivision (b) shall include
19 all of the following statements and information:

20 (1) An application has been made with the department for
21 authorization to conduct a lien sale.

22 (2) The person has a right to a hearing in court.

23 (3) If a hearing in court is desired, a Declaration of Opposition
24 form, signed under penalty of perjury, shall be signed and returned
25 to the department within 10 days of the date that the notice required
26 pursuant to subdivision (b) was mailed.

27 (4) If the Declaration of Opposition form is signed and returned
28 to the department, the lienholder shall be allowed to sell the vehicle
29 only if he or she obtains a court judgment, if he or she obtains a
30 subsequent release from the declarant or if the declarant, cannot
31 be served as described in subdivision (e).

32 (5) If a court action is filed, the declarant shall be notified of
33 the lawsuit at the address shown on the Declaration of Opposition
34 form and may appear to contest the claim.

35 (6) The person may be liable for court costs if a judgment is
36 entered in favor of the lienholder.

37 (d) If the department receives the Declaration of Opposition
38 form in the time specified, the department shall notify the
39 lienholder within 16 days of the receipt of the form that a lien sale
40 shall not be conducted unless the lienholder files an action in court

1 within 30 days of the department's notice under this subdivision.
2 A lien sale of the vehicle shall not be conducted unless judgment
3 is subsequently entered in favor of the lienholder or the declarant
4 subsequently releases his or her interest in the vehicle. If a money
5 judgment is entered in favor of the lienholder and the judgment is
6 not paid within five days after becoming final, then the judgment
7 may be enforced by lien sale proceedings conducted pursuant to
8 subdivision (f).

9 (e) Service on the declarant in person or by certified mail with
10 return receipt requested, signed by the declarant or an authorized
11 agent of the declarant at the address shown on the Declaration of
12 Opposition form, shall be effective for the serving of process. If
13 the lienholder has served the declarant by certified mail at the
14 address shown on the Declaration of Opposition form and the mail
15 has been returned unclaimed, or if the lienholder has attempted to
16 effect service on the declarant in person with a marshal, sheriff,
17 or licensed process server and the marshal, sheriff, or licensed
18 process server has been unable to effect service on the declarant,
19 the lienholder may proceed with the judicial proceeding or proceed
20 with the lien sale without a judicial proceeding. The lienholder
21 shall notify the department of the inability to effect service on the
22 declarant and shall provide the department with a copy of the
23 documents with which service on the declarant was attempted.
24 Upon receipt of the notification of unsuccessful service, the
25 department shall send authorization of the sale to the lienholder
26 and send notification of the authorization to the declarant.

27 (f) Upon receipt of authorization to conduct the lien sale from
28 the department, the lienholder shall immediately do all of the
29 following:

30 (1) At least five days, but not more than 20 days, prior to the
31 lien sale, not counting the day of the sale, give notice of the sale
32 by advertising once in a newspaper of general circulation published
33 in the county in which the vehicle is located. If there is no
34 newspaper published in the county, notice shall be given by posting
35 a Notice of Sale form in three of the most public places in the town
36 in which the vehicle is located and at the place where the vehicle
37 is to be sold for 10 consecutive days prior to and including the day
38 of the sale.

(2) Send a Notice of Pending Lien Sale form 20 days prior to the sale but not counting the day of sale, by certified mail with return receipt requested, to each of the following:

(A) The registered and legal owners of the vehicle, if registered in this state.

(B) All persons known to have an interest in the vehicle.

(C) The department.

(g) All notices required by this section, including the notice forms prescribed by the department, shall specify the make, year model, vehicle identification number, license number, and state of registration, if available, and the specific date, exact time, and place of sale. For motorcycles, the engine number shall also be included.

(h) Following the sale of a vehicle, the person who conducts the sale shall do both of the following:

(1) Remove and destroy the vehicle's license plates.

(2) Within five days of the sale, submit a completed "Notice of Release of Liability" form to the Department of Motor Vehicles.

(i) The Department of Motor Vehicles shall retain all submitted forms described in paragraph (2) of subdivision (h) for two years.

(j) No lien sale shall be undertaken pursuant to this section unless the vehicle has been available for inspection at a location easily accessible to the public for at least one hour before the sale and is at the place of sale at the time and date specified on the notice of sale. Sealed bids shall not be accepted. The lienholder shall conduct the sale in a commercially reasonable manner.

(k) Within 10 days after the sale of any vehicle pursuant to this section, the legal or registered owner may redeem the vehicle upon the payment of the amount of the sale, all costs and expenses of the sale, together with interest on the sum at the rate of 12 percent per annum from the due date thereof or the date when that sum was advanced until the repayment. If the vehicle is not redeemed, all lien sale documents required by the department shall then be completed and delivered to the buyer.

(l) Any lien sale pursuant to this section shall be void if the lienholder does not comply with this chapter. Any lien for fees or storage charges for parking and storage of a motor vehicle shall be subject to Section 10652.5 of the Vehicle Code.

SEC. 3. Section 3072 of the Civil Code is amended to read:

3072. (a) For vehicles with a value determined to be four thousand dollars (\$4,000) or less, the lienholder shall apply to the department for the names and addresses of the registered and legal owners of record. The request shall include a description of the vehicle, including make, year, model, identification number, license number, and state of registration. If the vehicle identification number is not available, the Department of Motor Vehicles shall request an inspection of the vehicle by a peace officer, licensed vehicle verifier, or departmental employee before releasing the names and addresses of the registered and legal owners and interested parties. *obtain a copy of a vehicle history report from the National Motor Vehicle Title Information System (NMVTIS), from a NMVTIS data provider for the vehicle identification number of the vehicle. If the NMVTIS vehicle history report indicates that the vehicle was last titled in another state, the lien shall be satisfied pursuant to Section 3071, regardless of value. Any fee charged for the NMVTIS report may be recovered by the lienholder if a lien sale is conducted or if the vehicle is redeemed.*

(1) As used in this section “NMVTIS,” “NMVTIS history report,” and “NMVTIS data provider” shall have the same meanings as defined in subdivision (d) of Section 11713.26 of the Vehicle Code.

(2) This section shall not prohibit a NMVTIS data provider from including, in a NMVTIS history report containing information required by paragraph (2) of subdivision (d) of Section 11713.26 of the Vehicle Code, additional vehicle history information obtained from resources other than NMVTIS.

(3) This section shall not create any legal duty upon the lienholder related to the accuracy, errors, or omissions contained in a NMVTIS vehicle history report that is obtained from a NMVTIS data provider or any legal duty to provide information added to NMVTIS after the lienholder obtained the NMVTIS vehicle history report pursuant to subdivision (a).

(4) In the event that all NMVTIS data providers cease to make NMVTIS vehicle history reports available to the public, this subdivision shall become inoperative.

(b) For vehicles that were last titled in California or have no record of being titled in any state as shown from the NMVTIS report required in subdivision (a) of Section 3072, and with a value determined to be four thousand dollars (\$4,000) or less, the

1 *lienholder shall apply to the department for the names and*
2 *addresses of the registered and legal owners of record. The request*
3 *shall include a description of the vehicle, including make, year,*
4 *model, identification number, license number, and state of*
5 *registration. If the vehicle identification number is not available,*
6 *the department shall request an inspection of the vehicle by a peace*
7 *officer, licensed vehicle verifier, or departmental employee before*
8 *releasing the names and addresses of the registered and legal*
9 *owners and interested parties.*

10 ~~(b)~~

11 (c) The lienholder shall, immediately upon receipt of the names
12 and addresses, send, by certified mail with return receipt requested
13 or by United States Postal Service Certificate of Mailing, a
14 completed Notice of Pending Lien Sale form, a blank Declaration
15 of Opposition form, and a return envelope preaddressed to the
16 department, to the registered owner and legal owner at their
17 addresses of record with the department, and to any other person
18 known to have an interest in the vehicle. The lienholder shall
19 additionally send a copy of the completed Notice of Pending Lien
20 Sale form to the department by certified mail on the same day that
21 the other notices are mailed pursuant to this subdivision.

22 ~~(e)~~

23 (d) All notices to persons having an interest in the vehicle shall
24 be signed under penalty of perjury and shall include all of the
25 following information and statements:

26 (1) A description of the vehicle, including make, year model,
27 identification number, license number, and state of registration.
28 For motorcycles, the engine number shall also be included.

29 (2) The specific date, exact time, and place of sale, which shall
30 be set not less than 31 days, but not more than 41 days, from the
31 date of mailing.

32 (3) The names and addresses of the registered and legal owners
33 of the vehicle and any other person known to have an interest in
34 the vehicle.

35 (4) All of the following statements:

36 (A) The amount of the lien and the facts concerning the claim
37 which gives rise to the lien.

38 (B) The person has a right to a hearing in court.

39 (C) If a court hearing is desired, a Declaration of Opposition
40 form, signed under penalty of perjury, shall be signed and returned

1 to the department within 10 days of the date the Notice of Pending
2 Lien Sale form was mailed.

3 (D) If the Declaration of Opposition form is signed and returned,
4 the lienholder shall be allowed to sell the vehicle only if he or she
5 obtains a court judgment or if he or she obtains a subsequent release
6 from the declarant or if the declarant cannot be served as described
7 in subdivision~~(e)~~: (f).

8 (E) If a court action is filed, the declarant shall be notified of
9 the lawsuit at the address shown on the Declaration of Opposition
10 form and may appear to contest the claim.

11 (F) The person may be liable for court costs if a judgment is
12 entered in favor of the lienholder.

13 ~~(d)~~

14 (e) If the department receives the completed Declaration of
15 Opposition form within the time specified, the department shall
16 notify the lienholder within 16 days that a lien sale shall not be
17 conducted unless the lienholder files an action in court within 30
18 days of the notice and judgment is subsequently entered in favor
19 of the lienholder or the declarant subsequently releases his or her
20 interest in the vehicle. If a money judgment is entered in favor of
21 the lienholder and the judgment is not paid within five days after
22 becoming final, then the judgment may be enforced by lien sale
23 proceedings conducted pursuant to subdivision~~(f)~~: (g).

24 ~~(e)~~

25 (f) Service on the declarant in person or by certified mail with
26 return receipt requested, signed by the declarant or an authorized
27 agent of the declarant at the address shown on the Declaration of
28 Opposition form, shall be effective for the serving of process. If
29 the lienholder has served the declarant by certified mail at the
30 address shown on the Declaration of Opposition form and the mail
31 has been returned unclaimed, or if the lienholder has attempted to
32 effect service on the declarant in person with a marshal, sheriff,
33 or licensed process server and the marshal, sheriff, or licensed
34 process server has been unable to effect service on the declarant,
35 the lienholder may proceed with the judicial proceeding or proceed
36 with the lien sale without a judicial proceeding. The lienholder
37 shall notify the Department of Motor Vehicles of the inability to
38 effect service on the declarant and shall provide the Department
39 of Motor Vehicles with a copy of the documents with which service
40 on the declarant was attempted. Upon receipt of the notification

1 of unsuccessful service, the Department of Motor Vehicles shall
2 send authorization of the sale to the lienholder and shall send
3 notification of the authorization to the declarant.

4 ~~(f)~~

5 (g) At least 10 consecutive days prior to and including the day
6 of the sale, the lienholder shall post a Notice of Pending Lien Sale
7 form in a conspicuous place on the premises of the business office
8 of the lienholder and if the pending lien sale is scheduled to occur
9 at a place other than the premises of the business office of the
10 lienholder, at the site of the forthcoming sale. The Notice of
11 Pending Lien Sale form shall state the specific date and exact time
12 of the sale and description of the vehicle, including the make, year
13 model, identification number, license number, and state of
14 registration. For motorcycles, the engine number shall also be
15 included. The notice of sale shall remain posted until the sale is
16 completed.

17 ~~(g)~~

18 (h) Following the sale of a vehicle, the person who conducts
19 the sale shall do both of the following:

20 (1) Remove and destroy the vehicle's license plates.

21 (2) Within five days of the sale, submit a completed "Notice of
22 Release of Liability" form with the Department of Motor Vehicles.

23 ~~(h)~~

24 (i) The Department of Motor Vehicles shall retain all submitted
25 forms described in paragraph (2) of subdivision ~~(g)~~ (h) for two
26 years.

27 ~~(i)~~

28 (j) No lien sale shall be undertaken pursuant to this section
29 unless the vehicle has been available for inspection at a location
30 easily accessible to the public at least one hour before the sale and
31 is at the place of sale at the time and date specified on the notice
32 of sale. Sealed bids shall not be accepted. The lienholder shall
33 conduct the sale in a commercially reasonable manner. All lien
34 sale documents required by the department shall be completed and
35 delivered to the buyer immediately following the ~~sale~~. *sale and*
36 *include a copy of the NMVTIS history report required by*
37 *subdivision (a).*

38 ~~(j)~~

39 (k) Any lien sale pursuant to this section shall be void if the
40 lienholder does not comply with this chapter. Any lien for fees or

1 storage charges for parking and storage of a motor vehicle shall
2 be subject to Section 10652.5 of the Vehicle Code.

3 SEC. 4. Section 3073 of the Civil Code is amended to read:

4 3073. The proceeds of a vehicle lien sale under this article shall
5 be disposed of as follows:

6 (a) The amount necessary to discharge the lien and the cost of
7 processing the vehicle shall be paid to the lienholder. The cost of
8 processing shall not exceed ~~seventy dollars (\$70) for each vehicle~~
9 ~~valued at four thousand dollars (\$4,000) or less, or one hundred~~
10 ~~dollars (\$100) for each vehicle valued over four thousand dollars~~
11 ~~(\$4,000); any of the following:~~

12 *(1) Seventy dollars (\$70) for each vehicle last titled in California*
13 *or that has no record of being titled in any state as shown from*
14 *the federal National Motor Vehicle Title Information System report*
15 *required in subdivision (a) of Section 3072, and valued at four*
16 *thousand dollars (\$4,000) or less, or one hundred dollars (\$100)*
17 *for each vehicle last titled in another state or valued over four*
18 *thousand dollars (\$4,000).*

19 *(2) Any fee charged for a federal National Motor Vehicle Title*
20 *Information System vehicle history report required under*
21 *subparagraph (A) of paragraph (2) of subdivision (a) of Section*
22 *3071 and subdivision (a) of Section 3072 may be recovered in*
23 *addition to the cost of processing in this subdivision.*

24 (b) The balance, if any, shall be forwarded to the Department
25 of Motor Vehicles within 15 days of any sale conducted pursuant
26 to Section 3071 or within five days of any sale conducted pursuant
27 to Section 3072 and deposited in the Motor Vehicle Account in
28 the State Transportation Fund, unless federal law requires these
29 funds to be disposed in a different manner.

30 (c) Any person claiming an interest in the vehicle may file a
31 claim with the Department of Motor Vehicles for any portion of
32 the funds from the lien sale that were forwarded to the department
33 pursuant to subdivision (b). Upon a determination of the
34 Department of Motor Vehicles that the claimant is entitled to an
35 amount from the balance deposited with the department, the
36 department shall pay that amount determined by the department,
37 which amount shall not exceed the amount forwarded to the
38 department pursuant to subdivision (b) in connection with the sale
39 of the vehicle in which the claimant claims an interest. The
40 department shall not honor any claim unless the claim has been

1 filed within three years of the date the funds were deposited in the
2 Motor Vehicle Account.

3 SEC. 5. Section 3074 of the Civil Code is amended to read:

4 3074. The lienholder may charge a fee for lien sale preparations
5 not to exceed seventy dollars (\$70) in the case of a vehicle *last*
6 *titled in California or that has no record of being titled in any state*
7 *as shown from the federal National Motor Vehicle Title Information*
8 *System (NMVTIS) report required in subdivision (a) of Section*
9 *3072, and having a value determined to be four thousand dollars*
10 *(\$4,000) or less and not to exceed one hundred dollars (\$100) in*
11 *the case of a vehicle last titled in another state or having a value*
12 *determined to be greater than four thousand dollars (\$4,000), from*
13 *any person who redeems the vehicle prior to disposal or is paid*
14 *through a lien sale pursuant to this chapter. Any fee charged for a*
15 *NMVTIS vehicle history report required under subparagraph (A)*
16 *of paragraph (2) of subdivision (a) of Section 3071, and subdivision*
17 *(a) of Section 3072, may be recovered in addition to the lien sale*
18 *preparations fee authorized by this section. These charges may*
19 *commence and become part of the possessory lien when the*
20 *lienholder requests the names and addresses of all persons having*
21 *an interest in the vehicle from the Department of Motor Vehicles.*
22 *Not more than 50 percent of the allowable fee may be charged*
23 *until the lien sale notifications are mailed to all interested parties*
24 *and the lienholder or registration service agent has possession of*
25 *the required lien processing documents. This charge shall not be*
26 *made in the case of any vehicle redeemed prior to 72 hours from*
27 *the initial storage.*

28 SEC. 6. Section 22851.1 of the Vehicle Code is amended to
29 read:

30 22851.1. (a) If the vehicle is impounded pursuant to
31 subdivision (i) of Section 22651 and not released as provided in
32 that subdivision, the vehicle may be sold pursuant to this chapter
33 to satisfy the liens specified in Section 22851 and in subdivision
34 (b) of this section.

35 (b) A local authority impounding a vehicle pursuant to
36 subdivision (i) of Section 22651 shall have a lien dependent upon
37 possession by the keeper of the garage for satisfaction of bail for
38 all outstanding notices of parking violation issued by the local
39 authority for the vehicle, when the conditions specified in
40 subdivision (c) have been met. This lien shall be subordinate in

priority to the lien established by Section 22851, and the proceeds of any sale shall be applied accordingly. Consistent with this order of priority, the term “lien,” as used in this article and in Chapter 6.5 (commencing with Section 3067) of Title 14 of Part 4 of Division 3 of the Civil Code, includes a lien imposed by this subdivision. In any action brought to perfect the lien, where required by subdivision (d) of Section 22851.8 of this code, or by subdivision (d) of Section 3071 or subdivision-(d) (e) of Section 3072 of the Civil Code, it shall be a defense to the recovery of bail that the owner of the vehicle at the time of impoundment was not the owner of the vehicle at the time of the parking offense.

(c) A lien shall exist for bail with respect to parking violations for which no person has answered the charge in the notice of parking violation given, or filed an affidavit of nonownership pursuant to and within the time specified in subdivision (b) of Section 41103.

SEC. 7. Section 22851.12 of the Vehicle Code is amended to read:

22851.12. (a) The lienholder may charge a fee for lien-sale preparations ~~not to exceed seventy dollars (\$70) in the case of a vehicle having a value determined to be four thousand dollars (\$4,000) or less and not to exceed one hundred dollars (\$100) in the case of a vehicle having a value determined to be greater than four thousand dollars (\$4,000), from any person who redeems the vehicle prior to disposal or is sold through a lien sale pursuant to this chapter. These charges may commence and become part of the possessory lien when the lienholder requests the names and addresses of all persons having an interest in the vehicle from the department. Not more than 50 percent of the allowable fee may be charged until the lien sale notifications are mailed to all interested parties and the lienholder or the registration service agent has possession of the required lien processing documents. This charge shall not be made in the case of any vehicle redeemed prior to 72 hours from the initial storage. from any person who redeems the vehicle prior to disposal or is sold through a lien sale pursuant to this chapter. The fee shall not exceed the following:~~

(1) *Seventy dollars (\$70) in the case of a vehicle having a value determined to be five hundred dollars (\$500) or less and the lien is satisfied pursuant to Sections 22851.8 and 22851.10.*

1 (2) *Seventy dollars (\$70) in the case of a vehicle last titled in*
2 *California or that has no record of being titled in any state as*
3 *shown from the federal National Motor Vehicle Title Information*
4 *System report required in subdivision (a) of Section 3072 of the*
5 *Civil Code, and having a value determined to be four thousand*
6 *dollars (\$4,000) or less.*

7 (3) *One hundred dollars (\$100) in the case of a vehicle last*
8 *titled in another state or having a value determined to be greater*
9 *than four thousand dollars (\$4,000).*

10 (b) *These charges may commence and become part of the*
11 *possessory lien when the lienholder requests the names and*
12 *addresses of all persons having an interest in the vehicle from the*
13 *department. Not more than 50 percent of the allowable fee may*
14 *be charged until the lien sale notifications are mailed to all*
15 *interested parties and the lienholder or the registration service*
16 *agent has possession of the required lien processing documents.*
17 *This charge shall not be made in the case of any vehicle redeemed*
18 *prior to 72 hours from the initial storage.*

19 SEC. 8. No reimbursement is required by this act pursuant to
20 Section 6 of Article XIII B of the California Constitution because
21 the only costs that may be incurred by a local agency or school
22 district will be incurred because this act creates a new crime or
23 infraction, eliminates a crime or infraction, or changes the penalty
24 for a crime or infraction, within the meaning of Section 17556 of
25 the Government Code, or changes the definition of a crime within
26 the meaning of Section 6 of Article XIII B of the California
27 Constitution.